

**BY ORDER OF THE
SECRETARY OF THE AIR FORCE**

AIR FORCE INSTRUCTION 32-9003

19 AUGUST 1997

Civil Engineering



**GRANTING TEMPORARY USE OF AIR FORCE
REAL PROPERTY**

COMPLIANCE WITH THIS PUBLICATION IS MANDATORY

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This instruction implements Air Force Policy Directive (AFPD) 32-90, DoD Directive 1000.10, 1000.11, 4165.6, 5160.63, and 6050-8; and DoD Instructions 1000-12 and 1000.15. It explains procedures and names those responsible for granting temporary use of real property owned and controlled by the Air Force worldwide. It does not apply to industrial real property. For definitions of terms used in the instruction, see **Attachment 1**.

SUMMARY OF REVISIONS

This interim change (IC) 97-1 provides guidance for MAJCOM responsibilities and revises the dollar amount for leases and licenses; adds launch services for commercial space launch activities guidance; revises the utility company contacts; revises the outgranting of non-DoD owned hazardous or toxic materials; revises the flood plains and flood hazards and wetlands instructions; revises AICUZ instructions; revises the outgrants to private organizations overseas instructions; revises the deposit of money instructions; revises the outgranting of grazing and crop land lease instructions; revises the hazardous wastes and materials instructions; adds a permit format instruction; revises cable television service instructions; adds instructions for commercial antennas; revises Chapter 6 on banks and credit unions. A (I) indicates revisions from previous edition.

Chapter 1

GENERAL PROCEDURES AND RESPONSIBILITIES

1.1. Granting Temporary Use of Air Force Real Property. The installation commander can grant temporary use of Air Force real property to others if:

- The Air Force is not using the property or does not need it for military purposes now.
- Such use does not interfere with the mission.
- Use does not cost the Air Force much money.
- Use is compatible with Air Force needs, security, and safety.

1.2. Utilities and Other Services. See AFI 32-1061, *Providing Utilities to USAF Installations*, to determine when utilities and other services are supplied with reimbursement or without reimbursement.

1.2.1. Charging Users Fair Market Value. Installation commanders and MAJCOMs must charge users who do not directly support the installation mission the appraised fair market rental. **EXCEPTIONS:** waive charges for:

- An outgrant in connection with a Federal-aid highway project or a defense access road.
- Users who provide demonstrable benefits to the Government.
- Buildings with administrative costs equal to or exceeding the charge.
- Licenses to a nonprofit, educational, civic, or charitable organization.

1.2.2. Responsibility for Maintenance and Repair. Installation commanders and MAJCOMs must require users to pay rent or reimburse the Air Force for services it provides, such as maintenance and repair (M&R), protection, or restoration of the outgranted property.

1.2.3. Assuming Liability. Installation commanders must make sure users demonstrate sufficient financial responsibility to assume liability for loss or damage to Air Force real property and for third-party bodily injury and property damage. Users also buy and keep sufficient insurance to cover liabilities. **EXCEPTION:** Do not apply this requirement to state, county, or local government agencies prevented by law from assuming responsibility.

1.3. Priorities and Order of Preference for Real Property Use. Assign unused space on an installation, according to the following order of preference:

- Appropriated activities of the DoD component hosting the installation.
- Nonappropriated activities of the DoD component hosting the installation.
- Activities of other DoD tenants.
- Other Federal agencies providing installation services, such as a post office or the Federal Aviation Administration (FAA) at an air field.
- All others, for instance, private organizations.

1.3.1. Make exceptions to these priorities when it best serves the installation.

1.3.2. Installation commanders follow this order of preference when granting others the use of Air Force real property:

- Other military departments.
- Other Federal departments, agencies, or activities.
- State and local government agencies.
- Non-Federal (private) organizations or individuals.

1.4. MAJCOM Responsibilities. MAJCOMs decide whether Air Force real property is available for others to use temporarily. Except for leases to the Department of Education for less than 25 years, send these to the Air Force Real Estate Agency (AFREA/DR) for action:

- Lease, license, or permit to use Air Force real property for more than 5 years.
- Lease or license to use Air Force real property for any purpose, when revenues or services exceed \$200,00 per action per year.
- Waiver of the policy requiring competition. See paragraph 1.13.
- Lease or license to use Air Force real property for a religious purpose.

1.5. Installation Commanders' Authority. Installation commanders with MAJCOM approval may make Air Force real property available for others' use through the Installation Real property Management Office (REMO). Installation commanders may grant:

1.5.1. License to the American Red Cross.

1.5.2. Licenses or permits of a minor nature or short duration. See AFPD 35-2, *Public Communication Programs*.

1.5.3. License for temporary occupancy of empty barracks.

1.5.4. License or contract for constructing temporary structures for offices, storage sheds, shops, and utilities.

1.5.4.1. Include a provision in the license or contract that the user must remove the structure or utility when the contract expires.

1.5.4.2. Get SAF/MII approval if the license or contract is for over 5 years or over \$200,000.

1.5.5. License for space to operate a credit union office or a bank that is not self-supporting for up to 5 years.

1.5.6. License to the US Postal Service.

1.5.7. Use of real property for nonappropriated activities.

1.5.8. License for use of space by private organizations and other membership associations.

1.5.9. No-cost licenses to labor unions. See DoDI 1000.15.

1.6. Installation Commander Responsibilities and Procedures .

1.6.1. Advise MAJCOMs of requests for real property actions involving a utility company.

1.6.2. Inspect all outgranted Air Force real property, document findings, and send them to the District Corps of Engineers (COE) office.

1.6.3. Remove trespassers from Air Force property or issue an outgrant for the unauthorized time period.

1.6.3.1. The user must compensate the Government for the past and present use.

1.6.4. Review all leases 9 months before they expire and tell the lessees.

1.6.4.1. If Air Force real property is still for lease, process the renewal request through the MAJCOM to AFREA/DR 6 months before it expires if AFREA/DR approval is required.

1.6.5. Advise MAJCOMs of requests for real property actions involving launch services for commercial space launch activities in accordance with the Secretary of the Air Force approved policy dated 7 May 96.

1.7. US Army Corps of Engineers (COE) Responsibilities. The District COE:

- Maintains records.
- Submits periodic reports.
- Collects payments.
- Terminates or revokes leases and permits when the Air Force directs.
- Prepares legislative jurisdiction hearing for overriding a state's jurisdiction over outgrant of easements for public right-of-way.

1.8. What to Include With Outgrant Requests. Directives to the COE or requests to the MAJCOM or AFREA/MI must provide enough information for assessing the directive's or proposal's merits:

1.8.1. Description of the facilities, acreage, and a map showing the area and its relationship to the rest of the installation.

1.8.2. Statement of availability, including reasons for not declaring the area unneeded.

1.8.3. Proposed use.

1.8.4. When and how long available for the grantee's use. Include provisions for terminating on, canceling, restoring, and improving.

1.8.5. Special conditions, limitations, or restrictions on use and occupancy.

1.8.6. Statement that the proposed outgrant does not interfere with the installation's mission.

1.8.7. Statement that the real property is safe for nonmilitary purposes. If not, tell why an outgrant should be approved in spite of the contamination.

1.8.8. When the grantee must relocate or replace a facility, request must include:

- Continuing military need for the facility.
- Master layout showing the location of the outgranted property and the relocated or replaced facility.
- Facts on the financial arrangements for the facility.
- DD Forms 1391, FY__ Military Construction, and 1391c, FY__ Military Construction Project Data.

1.8.9. An environmental impact analysis of the proposed action according to AFI 32-7061, *Environmental Impact Analysis Process*. All real property transactions indicate that the Air Force has met its responsibilities under NEPA.

1.8.9.1. REMO provides an Environmental Baseline Survey conducted by the grantee or the base environmental office.

1.8.9.2. Send requests through AFREA/MI for an OASD (environment) exception to the policy for storing and disposing of non-DoD-owned hazardous or toxic materials or waste on Air Force installations.

1.8.10. Information on the grantee's liability insurance or the property's insurability. Include the type and amount of coverage.

1.8.11. Statement of indemnification and that the grantee will not sue or charge the United States in any claims arising from the property's use. **EXCEPTIONS:** Do not apply the requirement to state, county, or local government agencies that by law cannot provide indemnification.

1.8.12. Statement of the type of outgrant sought.

1.8.13. Statement that the proposed outgrant is compatible with air installation compatible use zone (AICUZ) guidelines.

1.8.14. Statement whether the property qualifies for nomination to or is listed on the National Register of Historic Places.

1.8.15. Evaluation of flood hazards if the Air Force lands are in the flood plain. See Executive Order 11296, 10 August 1966.)

1.8.16. For property proposed for outgrant to non-Federal public or private party that includes wetlands, indicate the uses restricted under Federal, state, or local wetland regulations.

1.8.16.1. If construction is planned, include as part of the construction project all measures needed to protect wetlands. See Executive Order 11990, dated 24 May 1977.

1.8.17. Statement whether the activity is or will be consistent with an approved State Coastal Zone Management Plan.

1.8.18. If asking for a waiver of competition, justification for the waiver.

1.9. Complying With Homeless Assistance Act Requirements. The Air Force complies with the Stewart B. McKinney Homeless Assistance Act by reporting unused, underutilized, or excess real property following the procedures developed by Housing and Urban Development (HUD) and the General Services Administration (GSA).

1.9.1. SAF/MII Responsibilities and Approval Authority for Homeless Assistance Act. The Deputy for Installations Management, Office of the Deputy Assistant Secretary of the Air Force (Installations):

- Implements and monitors the Homeless and Outreach Program in accordance with 10 USC. 2546.
- Approves or denies leases or permits to the homeless providers.
- Tells each installation commander about the program.

1.9.2. AFREA/MI Responsibilities for Homeless Assistance Act. Under the McKinney Act, the Air Force Real property Agency (AFREA/MI):

- Monitors, processes, and reports unused, underutilized, or excess properties to HUD to determine their suitability.
- Informs MAJCOMs when the homeless report is due.
- Sends approved Health and Human Services (HHS) applications to SAF/MII for lease or permit approval. Lease terms must be at least 1 year

1.9.3. MAJCOMs Responsibilities for Homeless Assistance Act. The MAJCOM:

- Tells the installation commanders when homeless report is due.
- Sends reports of properties the installation commanders find unused, underutilized, or excess to AFREA/MI.

1.9.4. Installation Commander Responsibilities for Homeless Assistance Act. The installation commander:

- Completes a Federal Property Information checklist for each unused, underutilized, or excess property.
- Sends the checklists through the MAJCOM to AFREA/MI.
- Shows the homeless provider the properties that are suitable and available.

1.10. Emergency Use of Real Property . When Federal or state governmental authority need to use Air Force real property in an emergency or major disaster, the installation commander makes the Air Force real property available, within the limits of the mission.

1.11. Requests by Utility Companies. MAJCOMs tell HQ AFESC/DEMB if a utility company asks to use real property before acting on the request. An agreement might affect ongoing utility rates management.

1.12. Rights-of-Entry (ROE). The MAJCOM or installation REMO may issue a ROE for property under their authority or may ask the COE to prepare it. Make sure to get all needed clearances before approving the ROE. Agree on the rental terms and conditions and make a preliminary agreement that the appropriate authority will approve the outgrant before issuing a ROE.

1.13. Competitive Bidding for Private Use of Real Property. The Air Force outgrants private use of its real property only after reasonable efforts have been made to advertise for competitive bidding. A waiver of competition is authorized :

- For first lease of land available for grazing or raising crops to former owners or their tenants.
- For leases, licenses, and easements to state, county, or local government agencies, and public utility companies.
- For permits to other Federal agencies.
- When competition is impractical.

1.13.1. Send all waivers of competition to AFREA/MI for approval. This statement must support all waivers: "To the best of their knowledge and belief, no personnel of the Air Force who are responsible

for the proposed outgrant have any present or anticipated personal or financial interest in such outgrant and no such personnel have received any gift or gratuity in connection with the proposed outgrant."

1.14. Privately Sponsored Competition Events . MAJCOMs may approve or deny the use of Air Force installations for privately sponsored competitive events. AFREA/MI must receive information at least 30 days before the event. Each request must state the sponsors' name. The sponsors agree that:

- The event does not cost the Air Force. Sponsors pay for any damage they cause to Government property.
- The Air Force is "held harmless."
- They will get adequate insurance coverage.
- They will not use Air Force equipment and personnel to prepare for or conduct the event.
- They will make adequate arrangements for policing, fire protection, and first aid.
- They will not charge for admission, use admission tickets or parking fees.
- The event must not adversely effect the performance of the installation's mission.

1.15. Quarters Rental. The installation commander or a designee may rent quarters to US Armed Forces members, US Government civilian employees, all nongovernment personnel, and contractors. Supply housing when it is essential to performing a Government function. See DoD Manual 4165.63-M and OMB Circular No. A-45 Revised, 20 Oct 93.

1.15.1. Consider the following quarters for leasing:

- Substandard FH (inadequate quarters).
- Single-family housing.
- Apartments, bunkhouses, or dormitories.
- Trailer pads, cabins, guard stations, or lookouts.
- Mobile homes.
- Housekeeping and nonhousekeeping units.
- Surplus housing operated under a Protection and Maintenance (P&M) contract.

1.15.2. Installation commanders must make sure that appraisers who set rental rates and charges for quarters follow procedures in OMB Circular A-45 Revised. 20 Oct 93.

1.16. Commercial Advertising. Users may not post or put up private billboards or signs on Air Force real property.

1.17. Public Safety. Do not allow organizations to use Air Force lands, buildings, and improvements contaminated by explosives, hazardous or toxic materials, or other innately or potentially harmful elements for nonmilitary purposes when such use would endanger the public.

1.17.1. Prepare an Environmental Baseline Survey to assess the risks of past contamination.

1.18. Environment Protection. Grantees of Air Force real property need to meet all Federal, state, and local laws, regulations, and standards for environmental protection and pollution control and abatement.

1.18.1. Include an environmental protection provision in all outgrant agreements.

1.18.2. In outgrant requests, include:

- An environmental impact analysis according to AFI 32-7061, *Environmental Impact Analysis Process*.
- Certificates of the results of an Environmental Baseline Survey that the grantee or Air Force conducted.

1.19. Unoccupied Land. The Air Force keeps some unoccupied land that meets the criteria for retention under AFI 32-9002, *Use of Real Property Facilities*. Whenever possible, installation commanders make this available for public recreation, beautification, or for soil and wildlife conservation programs.

1.20. Outgrants for Storing and Disposing of Non-DoD-Owned Hazardous or Toxic Materials. DoD policy does not permit the storage or disposal of non-DoD-owned hazardous or toxic materials on Air Force real property. See AFI 91-201, Explosives Safety Standards and AFI 32-3001, Explosives Ordinance Disposal Program” for more details. The Deputy Assistant Secretary of Defense (Environment) may grant exceptions. Send requests through MAJCOM to AFREA/DR for consideration. This instruction does not apply to:

1.20.1. Agreements with the General Services Administration (GSA) for the storage of strategic materials in the National Defense Stockpile Program.

1.20.2. Agreements or arrangements between the Air Force and other Federal agencies to temporarily store and dispose of explosives when no alternative solutions are available. This does not include fireworks.

1.20.3. Emergency lifesaving help to civil authorities by temporarily storing explosives. This does not include fireworks.

1.20.4. Excess explosives produced under an existing Air Force contract when SAF/AQ finds no alternative, feasible disposal means.

1.20.5. Arrangements with the Department of Energy for temporarily storing special nuclear or non-nuclear classified materials.

1.20.6. Military resources used during peacetime civil emergencies. See DoDD 3025.1.

1.20.7. Help and refuge for commercial carriers with material of other Federal agencies during transportation emergencies.

1.20.8. Agreements or arrangements between the Air Force and other DoD components for storing and disposing of such materials.

1.21. Evaluating Flood Plains and Flood Hazards. Installation commanders consider flood plains and flood hazards when outgranting installation land and facilities. They encourage the most limited use compatible with the degree of hazard. Handle outgranted Air Force real property in flood plains according to AFI 32-7064, *Integrated Natural Resources Management*. See Executive Order 11988, *Flood Plain Management*, for more information.

1.22. Considering Wetlands. When non-Federal public or private parties want to use Government-owned wetlands, make sure the agreement includes the restrictions of Federal, state, or local wetlands regulations. Any Air Force wetlands others use must be treated according to AFI 32-7064.

1.23. Endangered Species. The Endangered Species Act of 1973 declares the intent of Congress to conserve threatened and endangered fish, wildlife, and plants, and the ecosystems on which they depend. Do not outgrant the use of land that supports these species.

1.24. Historic and Cultural Preservation.

1.24.1. Consider the National Historic Preservation Act when outgranting Air Force real property. Take steps to preserve and protect historic features of a building or site when using and managing an installation facility qualified as historic property.

1.24.2. The Archeological Resources Protection Act protects artifacts and objects of archeological or cultural significance found on Federal property.

1.25. Coastal Zone Areas. The installation commander and MAJCOM follow the Coastal Zone Management Act and conduct activities according to approved state coastal zone management programs.

1.26. Air Installation Compatibility Use Zone (AICUZ). Make sure all Air Force outgrants are compatible in terms of noise, accident potential, and height obstruction criteria according to the AICUZ Handbook DoDI 4165.57.

1.27. Air Force Real Property Overseas.

1.27.1. The installation commander evaluates the use of Air Force real property in foreign countries separately.

1.27.2. The MAJCOM closely coordinates with Department of State representatives in the foreign countries.

1.27.3. Ask for exceptions from this instruction through the MAJCOM to AFREA/MI. Completely justify the request and include supporting documents.

1.28. Overseas Outgrant Instruments. The MAJCOMs sends all executed copies of significant outgrants that require HQ USAF approval to AFREA/MI for record keeping.

1.29. Outgrants to Private Organizations (PO) Overseas. Non-profit POs that meet the requirements in AFI 34-223, Private Organizations Program Management, and AFR 65-106, Appropriated Fund Support of Morale, Welfare, and Recreation and Nonappropriated Fund Instrumentatives, may set up on military installations if:

1.29.1. Their membership is mostly military and civilian Government employees and their dependents.

1.29.2. The military or Government does not need the space they use.

1.29.3. The POs do not duplicate any category IIIB activity in AFI 65-106 at the same installation.

1.29.3.1. POs follow AFR 400-15, *Logistic Support of United States Nongovernmental, Nonmilitary Agencies and Individuals in Overseas Military*.

1.29.4. The DoD does not financially support privately owned property for military moral, welfare, and recreation (MWR) activities on DoD installations.

1.29.5. The DoD and the national organization with which the PO is affiliated have a memorandum of understanding (MOU) or agreement (MOA).

1.29.6. The outgrants:

- Do not exceed 5 year.
- Are not for the exclusive use of a particular PO.
- Are revocable by the Secretary of the Air Force at any time.

1.29.7. The POs place no signs, seals, or other symbols identifying the organization on or in the outgranted space or building.

1.29.8. Installation commanders send requests to remove a PO from the installation before or when the agreement expires to AFREA/MI for SAF/MII approval.

1.29.8.1. Completely justify the request and send it to AFREA/MI at least 120 days before the proposed removal or expiration date.

1.30. Nondiscrimination. Installation commanders outgrant the use of Air Force real property without regard to race, creed, color, religion, sex, age, or national origin. Include the following reference to the Civil Rights Act in all outgrants:

"The lessee shall not discriminate against any person or persons or exclude any persons from participation in the lessee's operations, programs, or activities conducted on the lessee's premises, because of race, color, age, sex, handicap, national origin, or religion. The lessee, by accepting this lease, hereby assures that the provisions of Title VI of the Civil Rights Act, as amended (42 U.S.C. 2000d); the Age Discrimination Act of 1975 (42 U.S.C. 6102); the Rehabilitation Act of 1973, as amended (29 U.S.C. 794); and the Department of Defense Directive 5500.11, 27 May 1971, as amended (32 CFR pt 300) be met."

Chapter 2

LEASES

2.1. Air Force Leasing Objectives. Installation commanders and MAJCOMs may lease nonutilized or underutilized Air Force land to any legitimate non-Federal user for:

- Promoting the national defense, national or local economy, or serving the public interest.
- Non-Federal use that is compatible with the installation's mission.
- Caring for and protecting Air Force real property with a minimum expense.
- Saving O&M funds. An example is the lessee assuming ordinary maintenance expense.
- Improving management by leasing grazing land and crop land.
- Obtaining the maximum cash return to the United States consistent with accomplishing goals.

2.2. Lease Term. No lease term exceeds 5 years unless SAF/MII decides that a longer period promotes the national defense or serves the public interest. AFREA/MI outgrants leases for longer periods for:

- Leases for parcels of land requiring a long term, but not more than 25 years, to amortize the cost of public school construction or to meet the needs of the Department of Education.
- Leases for parcels of land for building banks and credit unions which may be leased for periods up to 25 years. The lease's length must agree with the value of proposed improvements See Chapter 6.

2.2.1. Leases with a bank or credit union for space in an existing building when the bank or credit union's cost of improvements is amortized over a longer period through rental offsets.

2.3. Revoking a Lease. Include a clause in all Air Force leases that let SAF/MII revoke the lease at will. However, if omitting this clause promotes national defense or is in the public interest, leave it out.

2.3.1. Include a clause in the lease that lets the Secretary of the Air Force terminate it if:

- The President or Congress declares a national emergency.
- The area is needed for military purposes.
- Terminating serves the national defense and the lease does not have a revocable-at-will clause.

2.3.2. Leases may also give the lessee first right to buy the property if the Air Force revokes the lease so the US Government can sell it. Send fully justified requests to revoke leases through MAJCOM to AFREA/MI.

2.4. Lease Consideration. Installation commanders and MAJCOMS must make sure that leases state that the lessee pays in cash or in kind fair market rent. Ask a private contractor or the COE to appraise the property's fair market rent.

2.4.1. Consideration can be improvement, maintenance, protection, repair, or restoration, by the lessee of the leased property. See 10 U.S.C. 2667 and Title 40, Section 303(b). Deposit proceeds generated from leases of non-excess property into Special Fund Receipt Account 975189.57.

2.5. Deposit of Consideration. Deposit rents received directly from a lease in a special Treasury account set up for the Air Force. This money is shared:

- percent goes to the installation where the leased property is located for facilities maintenance and repair or for environmental restoration.
- percent goes to facilities maintenance and repair or environmental restoration by the Department of the Air Force.

2.5.1. Deposit rents from grazing and crop land leases in the Air Force Grazing and Cropland Fund.

2.5.2. Department of Interior/Bureau of Land Management (DOI/BLM) and Mineral Management Service (MMS) collect and distribute revenues from mineral leasing.

2.6. Deposit of Money for Utilities and Other Services. AF Form 3553, Utility Sales Contract and AF Form 3555, Utilities Sales Rates Exhibit will be completed. See AFI 32-1061 for guidance on utility sales contracts and rates for non-Federal organizations.

2.6.1. Revenue received from the sale of utilities and other services goes to the installation's operations and maintenance (O&M) account.

2.7. Leasing for Mineral Development. AFREA/MI is the contact for all mineral exploration and mining on land the Air Force controls. See DoD Directive 4700.3, *Mineral Exploration and Extraction on DoD Lands*, 28 Sep 83.

2.7.1. Exploring or mining of locatables on land in the public domain is prohibited. MAJCOMS and the installation commander may work to dispose of salable minerals, such as sand, gravel, and stone, without selling the land.

2.7.2. Get AFREA/DR approval for selling untapped underground water. (See 41 CFR 101-47.302-2(a)(3).

2.7.2.1. Do not dispose of water on lands in the public domain.

2.7.3. If the Air Force agrees, the Bureau of Land Management (BLM) may lease for mineral development land the Air Force controls.

2.7.3.1. BLM sends lease offers and title report requests to AFREA/MI.

2.7.3.2. AFREA/MI processes the request and sends it to the MAJCOM.

2.7.3.3. The MAJCOM decides whether to make the land available for exploration and development. (Lands within incorporated cities, towns, and villages are not available for mineral exploration or extraction.) A MAJCOM who decides not to make the land available for mineral exploration or mining sends justification to AFREA/MI.

2.7.3.4. AFREA/MI sends the MAJCOM's or installation's justification to SAF/MII and an information copy to the Director, BLM, 849 C Street, Room 5660, N.W., Washington, DC. 20240.

2.7.3.5. If the MAJCOM decides to make the land available for exploration or mining, the installation commander refers requests to the BLM state office.

2.7.4. All MAJCOMS and installation REMOs make sure that all mineral leases oblige the lessee to protect the Air Force mission and the environment.

- 2.7.5. If the Air Force and the BLM approve leasing, send the BLM state office:
- Information about the ownership of mineral rights, which the installation or district engineer supplies.
 - A map or plan showing where the lessee may drill.
 - A statement of the conditions of the land's availability.
- 2.7.5.1. If the BLM asks, send environmental and cultural information space if available.
- 2.7.6. The installation commander can approve licenses through the installation REMO for seismic or other geophysical testing.
- 2.7.6.1. If the installation REMO does not have the authority, the MAJCOM approves and the installation REMO monitors the activity.
- 2.7.7. The installation commander tells the MAJCOM and AFREA/MI immediately about oil operations within one-quarter mile or gas operations within one-half mile of an Air Force installation boundary.
- 2.7.8. The lessee must get BLM approval to abandon a well.
- 2.7.8.1. BLM does not approve until the installation expresses its satisfaction with the reclamation.
- 2.7.8.2. The installation commander may take responsibility for a fresh-water well if funds exist to reimburse the lessee for a recoverable casing and wellhead equipment used only to convert a water well.
- 2.7.8.3. The lessee takes responsibility for surface clean up.
- 2.7.9. The REMO makes sure the lessee meets all requirements of the mineral outgrant and notifies the firm in writing of failure to do so.
- 2.7.9.1. If the firm does not act before the deadline (usually 3 days), the installation REMO notifies BLM and the MAJCOM of the violations.

2.8. Public Schools.

- 2.8.1. The installation commander may lease Air Force real property without charge to states, political subdivisions, or their agencies for public schools. The in-kind consideration must equal the property's fair market value. The lease's term must not exceed 5 years.
- 2.8.2. The installation commander may lease Air Force land without charge to states, political subdivisions, or their agencies for building public schools. The lease's term must not exceed 25 years. The lessee pays all construction costs, including utility hookups, sidewalks and parking areas.
- 2.8.3. School lessees must reimburse the Air Force for utilities and services it supplies.
- 2.8.4. The installation commander and REMO make sure that the lease lets the Air Force use school facilities during non-school hours, even for religious services and classes, in a manner compatible with local law and practice. Air Force funds may pay the school lessee occupancy costs and a proportionate share of maintenance costs.

2.9. Taxing Leased Air Force Real Property. The lessee's interest in certain leased Air Force real property may be subject to state and local taxation under 10 U.S.C 2667 (e). The lease may have a renegotiation clause, if and to the extent that the Federal Government's interest (as opposed to the lessee's) becomes taxable by state and local governments under an Act of Congress.

2.10. Lease Insurance . Under their leases, all lessees who occupy and use improvements must insure the improvements for their full replacement value. Waive this requirement if:

- The improvements were incidental to acquiring the land and serve no Government need.
- The lessee occupies only part of the building.
- The improvements are the lessee's property.
- The building or facility has little value and presents little risk.

2.11. Cost Related to the Use of Air Force Real Property . All outleases of Air Force real property for construction require the lessee to pay all costs associated with land use, unless the law or AFREA/MI provide otherwise.

2.12. Restoration of Air Force Real Property . Installation commanders make sure that lessees remove their property and improvements from the leased land or buildings when their leases expire or are terminated.

2.12.1. Ensure that lessees leave real property as they found it. If the lessee does not remove improvements and restore property:

- Take title to, but do not pay for, the improvements.
- Remove the improvements and charge the lessee the restoration costs.

2.12.1.1. Include a provision in the lease that the lessee repairs and pays for the repairs of all damages to Air Force real property the lessee caused.

2.12.1.2. If the lessee does not repair damages, charge the lessee all costs for repairing or replacing the damage or destruction.

2.12.1.3. SAF/MII may waive this provision. To ask for a waiver, send AFREA/MI, through the MAJCOM, a description of the circumstances and justification.

2.13. Assignments and Subleasing . Do not reassign or sublease real property without AFREA/MI approval. Include a clause in all leases to enforces this rule.

2.14. Leasing Excess Real Property . The General Services Administration (GSA) generally supervises and approves leasing and surplus real property. GSA regulations allow leases that temporarily put such real property to productive use. The lease and land must not interfere with or delay disposal of the real property. See the Federal Property and Administrative Services Act of 1949, as amended, and 40 U.S.C. 471 and following sections for more information.

2.14.1. An interim lease of excess or surplus property may not exceed 1 year and is revocable on 30 days' notice. Send requests for leasing such real property to AFREA/MI.

2.15. Grazing and Crop Land Leases. When considering a grazing or cropland lease, follow AFI 32-7064, Natural Resource Management, and use the approved grazing and crop land management and land use plan.

2.15.1. Incorporate land use regulations in the lease.

2.15.2. As representatives of the Base Civil Engineer, the REMO and the environmental or natural resources planner inspect the outleased land to make sure lessees follow land-use regulations.

Chapter 3

LICENSES AND PERMITS

3.1. License Authority. Installation commanders and MAJCOMs may grant a license for temporary use of Air Force real property. License terms must not be more than 5 years unless SAF/MII approves it. The conditions for licensing are:

- The licenses must be revocable at the discretion of the Secretary of the Air Force.
- The use must serve public interest or directly benefit the United States.

3.1.1. The Secretary of the Air Force issues the license in unusual situations involving activities for which no specific statutory authority exists.

3.2. Consideration . Licensees pay a fee, except:

- Nonprofit organizations.
- State, county, city, or other political subdivisions.

3.2.1. Rents received from licenses must go to the Treasury Department Miscellaneous receipts.

3.2.2. Revenue received from the sale of utilities and other services goes to the installation's O&M account. See AFI 32-1061 for guidance on utility sales agreements and rates.

3.3. License Insurance . The licensee insures the licensed property and improvements for their full replacement value. Waive insurance requirement if:

- The improvements were incidental to acquiring the land and serve no Government need.
- The licensee occupies only part of an Air Force building.
- The building or facility has little value.
- The use the licensee proposes presents little risk.

3.3.1. The licensee carries third-party insurance for accidental death, personal injury, and property damage. This may be waived if the licensee is a fraternal, civic, or social welfare group.

3.3.1.1. Waiver requests must be written and approved.

3.3.1.2. Review waiver requests thoroughly to assess risk.

3.4. Administrative Authority . Under this authority, the installation commander may issue license for:

- Telecommunication Service.
- Telephone Cable.
- Materials From Borrow Pits.

3.4.1. Telecommunication Services. Send all requests for telecommunication services through real property management channels to the appropriate authority. See chapter 2 for more information.

3.4.1.1. The MAJCOMs and installation REMOs keep copies of the outgrants or contracts.

3.4.2. Telephone Cable. Incorporate telephone company licenses in a service contract.

3.4.2.1. The contracting office draws up the service contract according to the Federal Acquisition Regulation FAR).

3.4.2.2. Coordinate contracting and licensing with the base communications officer and keep a copy of the service contract at the MAJCOM and REMO.

3.4.2.3. Do not charge local exchange companies (LEC) for using Air Force real property when only the installation has official telephone service.

3.4.2.4. Charge the LEC fair market rent for using existing Air Force real property, including supporting structures such as poles, conduits, and manholes. Waive this charge when doing so best serves the Air Force. Consider charges if:

- Unofficial Service on the Installation. (Private telephone service to military family housing.)
- Unofficial Service off the Installation. (Use of Air Force real property to provide service to customers off the Installation.)

3.4.2.5. Do not charge the LEC for using Air Force land to install its cables or other supporting structures to provide unofficial service on the installation. The Air Force wants telephone service for unofficial customers on base.

3.4.3. Borrow Pits. Issue a free license to a state or other political subdivision for removing materials from borrow pits for constructing or maintaining:

- A road within the Air Force installation.
- Roads outside the Air Force Installation that benefit the installation and the public.

3.5. Express Statutory Authority : The following statutes allow the Air Force to issue licenses for using its property:

- Civil Air Patrol (CAP) - 10 U.S.C 9441
- Air National Guard (ANG) -32 U.S.C. 503
- American Red Cross (ARC) -10 U.S.C. 2670 and 2602
- Young Men and Women Christian Associations (YMCA and YMCA) - 10 U.S.C. 9778.
- Post Offices - 10 U.S.C. 9779.
- Miscellaneous Licenses - 10 U.S.C. 9777.

3.5.1. Civil Air Patrol (CAP).

3.5.1.1. The installation commander may license CAP units to use Air Force facilities for free. USAF CAP liaison officers and staff are active duty Air Force personnel or civilian employees, and do not need licenses to use space. (See AFI 36-5001, *Civil Air Patrol*).

3.5.1.2. The Air Force may pay to maintain and repair buildings and facilities CAP units occupy if the Air Force will later need them.

3.5.2. National Guard. The Secretary of the Air Force may license state National Guard to temporarily use and occupy space on military installations. These licenses are revocable and for an undefined term.

3.5.2.1. Do not license a state to build a permanent National Guard Armory on a military installation without state or National Guard construction funds and specific congressional authority.

3.5.3. American National Red Cross (ARC). The Secretary of the Air Force may license the ARC for free to use buildings on a military installation. The license is revocable.

3.5.3.1. Use a lease if the ARC wants to construct buildings for administration or club purposes under the provisions of 10 U.S.C. 2667. See AFI 36-3105, *Red Cross*, for more details.

3.5.4. Young Men and Women Christian Associations (YMCA and YWCA). The Secretary of the Air Force may license these associations to build and care for facilities on military installations within the United States, its Commonwealths, and its possessions. These licenses are revocable. When these facilities are needed to promote the social, physical, intellectual, and moral welfare of Air Force personnel, the licenses are free. See 10 U.S.C. 9778 for more information.

3.5.5. Post Offices. Post Offices may use space on Air Force installations without a license. However, in a Host-Tenant Support Agreement the post office agrees to reimburse the Air Force for utilities, and telephone, and janitorial services. See AFPD 25-2 for more details. Attach AF Form 3554, *Utility Sales Agreement to the Interagency Support Agreement* (see AFI 32-1061).

3.5.5.1. Do not spend appropriated funds to build a post office facility on an Air Force installation.

3.5.6. Miscellaneous Licenses. License these activities only if they will not damage the installation, inconvenience the military forces, or interrupt the mission:

- Landing ferries at Air Force installations.
- Building bridges on Air Force installations by state or local governments.
- Driving livestock across Air Force installations.

3.6. Permits to Other Federal Agencies. Permits let the DoD and other Federal agencies use Air Force real property.

3.6.1. Fees. Permits to DoD agencies are free. Charge non-DoD Federal agencies fair market value for using Air Force real property by permit. Waive fees and occupancy charges if:

- The agency supports or contributes to the installation's mission.
- The property is being used under existing permits. When renewing the outgrants, charge non-DoD agencies their activities merit an exception.
- The use benefits national defense.
- The permit grants a right-of-way for roads, pipelines, cables, or similar purposes.
- The income gained is less than the administrative expense incurred.

3.6.1.1. All permittees reimburse the Air Force for utilities and services. (See AFI 32-1061 and AFI 65-601, *US Air Force Budget Guidance and Procedures*.)

3.6.2. Host-Tenant Support Agreement; Interservice, Interdepartmental, and Interagency Support Agreements. These agreements document the use of Air Force real property and reimbursement for utilities and services. Both a permit and an interservice support agreement (ISSA) are needed. Attach AF Form 3554 to the Interservice Support Agreement (See AFI 32-1061).

3.6.2.1. Issue a permit when renewing the Host-Tenant agreement or ISSA to provide REMO with a record of third-party use of installation facilities. See AFPD 25-2, *Support Agreements*, and DoDI 4000.19 for more information.

3.6.3. Setting Rental Value for Permits. When an Air Force building or installation facility becomes available for other non-DoD agencies' use, issue a permit and ask a professional appraiser to establish a fair market rent. (No appraisal is needed if use is free.) Rent may be waived if mission support services equal or exceed the charges.

3.6.4. Term. Limit permits to the actual time needed for the proposed use, not more than 5 years without SAF/MII approval. Permits may be given to the Department of Education for a term no longer than 25 years to build schools.

3.6.5. Hazardous Wastes and Materials. The installation commander may permit the use of Air Force real property by other Federal Government agencies, DoD agencies, and other military departments for storing, or disposing of hazardous materials or waste in accordance with paragraph 1.20 of this AFI.

3.6.5.1. The permit must state that the permittee leave all Air Force real property decontaminated or repay the Air Force for all work needed to decontaminate Air Force real property.

3.6.5.2. The permittee meets all Air Force, Federal, state, and local environmental protection policies, laws, and regulations, and gives the Air Force copies of all its operating logs when each permit period ends.

3.6.5.3. The permittee must have the appropriate environmental regulatory authorities confirm that the Air Force real property needs no further cleanup or agree on specific remedial measures. This prevents disagreement over repaying the Air Force the administrative costs of negotiations with regulatory authorities.

3.6.6. National Guard Controlled Air Force Real Property. Permits given to other military departments to use Air Force real property that the Air National Guard (ANG) controls or manages at a public airport include additional conditions in attachment 2.

3.6.6.1. Execute an interservice support agreement (satisfying the host) simultaneously with the permit. Includes customary repayment costs for mission support the host provides.

3.6.6.2. The ANG installation commander is the manager responsible for operating support and military use of the public airfield.

3.6.6.3. The installation commander controls permitted real property.

3.6.6.4. The permittee observes installation rules, regulations, and directives for the installation's operation.

3.6.6.5. The permittee's unit commander coordinates with the installation commander to carry out all activities that may affect installation management and operation.

3.6.7. Labor Unions

3.6.7.1. A labor union with exclusive recognition is entitled to negotiate with local installation management officials for the use of office space, utilities, and services, including scope and cost. (Exclusive recognition - only union allowed to represent employees on the installation).

3.6.7.2. The REMO issues a free license for installation space a labor union uses, and records the license in the real property records. The REMO must complete these tasks, regardless of other approval instruments or the installation commander's verbal or written approval.

3.6.8. High Speed Vehicle Operations. AFREA/MI approves all requests to license high-speed vehicle operations to use Air Force land. Operations such as those undertaken to set land speed records create many unique safety, security, and mission impact situations.

3.6.8.1. The MAJCOM's recommendation must accompany each request. The request must reach AFREA/MI at least 60 days before the requested use date.

3.7. Permit Format. For permits to other federal entities whether DoD or non-DoD, use the form at Attachment 3. Generally, changes should not be made to the form except to deal with local matters peculiar to the installation and not already addressed in the permit. Since the Air Force wishes to have uniform treatment of its federal entity tenants, installations should refrain from offering to change the permit form to provide a "better deal" to the tenant. Changes made locally should be clearly noted when the permit is sent to AFREA/DR for approval.

Chapter 4

OUTGRANTING EASEMENTS

4.1. Granting Easements. Installation commanders may grant easements to utility companies that also provide commercial service to the public. Consider restrictions such as height in AICUZ areas. Do not transfer or assign easements without AFREA/MI approval.

4.1.1. A company that provides utilities for the installation's use only needs no easements.

4.1.2. Keep records and installation utility maps to identify and document the location, the owner, and the provider.

4.2. Statutory Authority to Outgrant Easements. The following statutes permit the Air Force to outgrant easements:

- Gas, Water, and Sewer Pipelines - 10 U.S.C. 2669.
- Roads, Streets and Railroad Tracks - 10 U.S.C. 2668.
- Oil Pipelines, Natural Gas Pipelines, Synthetic Liquid or Gaseous Fuels Pipelines - 30 U.S.C. 185.
- Rights-of-Way or Other Purposes and the Relinquishment of Legislative Jurisdiction - 40 U.S.C. 319.

4.3. Consideration. Issue the easement without charge if the grantee is a state or local government, a nonprofit corporation, or an association such as a Rural Electrification Administration Association financed corporation, or when the outgrant primarily benefits the Government or serves the public interest. In other cases, charge fair market value.

4.4. Term. Easements to public utilities, private persons, or to any grantee for commercial purposes may not exceed 25 years, regardless of the term authorized in the applicable statute. Give perpetual easements to state and local governments for constructing public roads, streets, and area drainage projects.

4.5. Power Lines and Communications Facilities.

4.5.1. Rights-of-Way Width. The installation communications officer and the installation or MAJ-COM engineering and environmental planning functions review requests for rights-of-way for power lines and communications facilities. Make sure that rights-of-way are consistent with the grantee's needs and are not more than 200 feet from either side of the center line.

4.6. Gas, Water, and Sewer Pipelines.

4.6.1. Widths of Rights-of-Way. The width of the right-of way is not limited; however, only include the land needed for the outgrant.

4.7. Roads, Streets, and Railroad Tracks.

4.7.1. Width of Easement. The width of the right-of- way is not limited; however, only include the land needed for the outgrant.

In the granting clause of an easement for a road right-of-way across an Air Force installation, include the statement: "The Secretary of the Air Force has found that granting this easement is not against the public interest."

4.8. Oil Pipelines, Natural Gas Pipelines, Synthetic Liquid, or Gaseous Fuels Pipelines.

4.8.1. Easement Width. Limit easement width to 50 feet plus the ground the pipeline occupies. Include only the land needed for the outgrant.

Include other provisions the statute requires in the easement outgrant.

4.9. Easements for Rights-of-Way or Other Purposes and Giving Up Legislative Jurisdiction. The purpose for which an easement may be granted is not limited; however, do not use this statute for a purpose another easement statute specifically authorizes.

4.9.1. Easement Width. The width of easements granted under this authority is not limited; however, do not include more installation land than needed for the outgrant.

Include this statement in the granting clause of easements: "The Secretary of the Air Force has determined that granting this easement is not be adverse to the United States interests."

4.9.2. Relinquishment of Legislative Jurisdiction . Give up jurisdiction according to the state's laws. Consult the local United States Attorney and the General Litigation and Legal Advice Section, Criminal Division, Department of Justice, before acting to cede Federal legislative jurisdiction.

4.10. Consent Agreements. If the Air Force interest in the land is an easement rather than fee title, and the owner of the fee or a third-party wants to enter the Government's easement area, the Government may grant permission in a consent agreement.

4.10.1. Make a consent agreement with a third-party who wants to cross a Government right-of-way or a restricted easement area. Do not charge for a consent agreement; it grants no land interest. Only the underlying landowner can grant this request. Make sure the third-party has acquired a land use outgrant from the fee owner before making a consent agreement.

4.10.2. If crossing or construction is difficult because of Government use of its right-of-way, the party pays for relocating and acquiring a new right-of-way. Avoid using appropriated funds for relocation that benefits others.

4.10.3. Avoid reimbursements. They must be paid to miscellaneous receipts of the US Treasury rather than an Air Force account.

4.10.4. Only the office that approved the right-of-way easement may approve consent agreements.

4.11. Repair and Restoration . Those granted easement must repair and restore any damage done to Government property and improvements during construction and maintenance of the right-of-way. They must also relocate or replace buildings and other facilities that the easement made useless or less useful. Limits for restoration are:

- Relocation does not substantially change design characteristics.
- Replacement facilities must be of the same category, construction, size, and capacity as those replaced.

- Relocate and replace only those facilities the military still needs.
- Relocation, replacement, and repairs includes appropriate site restoration.
- Repair needs must not exceed restoration of damage incurred.

4.12. Removal of Improvements. When a right-of-way proposal includes removing or destroying real property improvements the military no longer needs, dispose of them as excess real property according to AFI 32-9004, *Disposal of Real Property*. Include a condition in the easement that the price of the improvements is their current fair market value.

4.12.1. When a local or state agency proposes an easement, it is generally outgranted without charge. If a project

- Subsidized locally by a Federal agency proposes an easement that involves removing facilities, do not charge for the lost facilities.
- Is not locally subsidized, charge the salvage value for removed facilities.

4.12.2. When an outgrant is made at fair market rental value to an entity not entitled to a free right-of-way, charges include the fair market value of the in-place improvements, unless the grantee pays to relocate or replace them for future Government use.

4.13. Easements That Require Prior Approval of the Secretary of the Air Force. Obtain SAF/MII approval for easement outgrants that include replacement or relocation costs over \$100,000.

4.13.1. Send SAF/MII justification of the continuing military need for the facility. Send with the justification:

- A master plan of the installation, showing, in detail the proposed right-of-way and the site of relocated or replacement facilities.
- Facts on financial arrangements for the new facilities.
- Copies of pertinent agreements.
- DD Form 1391 for each military facility affected.

Chapter 5

OUTGRANTING AIR FORCE REAL PROPERTY FOR OTHER PURPOSES

5.1. Morale, Welfare, and Recreation (MWR). MWR and related activities manage recreation programs which use Air Force property. AFI 65-106 defines MWR categories and support provided.

5.1.1. Nonappropriated Fund users do not need an outgrant.

5.1.2. Private property such as boats, aircraft, recreation vehicles, or horses on Government property do not receive appropriated or nonappropriated support. The private property's owners must fully reimburse the Air Force or its nonappropriated instrumentality for expenses incurred or fair market value.

5.1.3. AFI 34-223, Private Organizations Program Management, defines and classifies types of private organizations and specifically addresses situations involving use of Air Force real property. However, outgrant temporary use of Air Force real property according to this instruction only.

5.1.4. Private organizations who use Air Force real property where no additional cost to the Government occurs may be authorized use without charge (to include utilities, in place equipment, and janitorial supplies).

5.2. Cable Television Service. The Air Force allows private cable television companies to install cable television systems on base if it does not interfere with the installation mission. A contract for cable television services to federal entities located on base such as Government offices, will be handled through a Franchise Agreement in accordance with the Federal Acquisition Regulation as a normal procurement of services. For licenses to a private entities to utilize Air Force real property for the private purpose of installing and operating a cable television system use the form at attachment 4. (see Handbook for more details).

5.3. Commercial Antennas. All outgrants for exclusive use of Air Force real property for location of wireless communication antennas will be granted by lease under the provisions of 10 U.S.C. 2667 and require payment of fair market consideration rent (in cash or in kind). Any cash rents received for such leases will be deposited into Special Fund Receipt Account 975189.57.

5.3.1. All outgrants for non-exclusive use of Air Force real property for location of wireless communication antennas will be granted by license under the administrative authority of the Secretary of the Air Force. All cash fees received from such licenses will be deposited in the miscellaneous receipts account of the Treasury.

Chapter 6

CREDIT UNIONS AND BANKS

6.1. Credit Unions. The installation commander may let credit unions occupy Government--owned buildings or lease them land for building facilities.

6.1.1. Only one credit union can set up a branch or facility on an Air Force installation. However, if your installation already has more than one credit union, they are entitled to equal support.

6.1.2. Credit union membership is open to all assigned DoD personnel.

6.1.3. All credit unions operate according to DoDI 1000.10, *Procedures Governing Credit Unions on DoD Installations*.

6.2. Membership Criteria. To qualify for free office space and other real property, 95 percent of credit union on-base members must be current or former military and Federal civilian personnel and their families. See the *Federal Credit Union Act*, and AFI 65-702, *Credit Unions on US Air Force Installations*, for more details.

6.2.1. Obtain written certification that membership meets the 95 percent criterion before renewing a free license after a merger, takeover, or significant membership change.

6.3. Use of Space in Government-owned Buildings. Give credit unions space under a free license for not more than 5 years. See AFI 65-702, *Credit Unions on US Air Force Installations*, and AFI 32-1024 for more information

6.3.1. The Air Force reimburses the GSA for all space, whether leased or in Federal office buildings, the GSA assigns to it. The current GSA rental rate under P.L. 92-313 applies. The GSA charges the Air Force for space assigned for credit union operations.

6.3.2. The installation commander may issue a free-license for up to 25 years when a credit union meeting the 95 percent criterion uses its own funds to expand, modify, or renovate Government-owned space.

6.3.2.1. Consider the extent of modifications or renovations to decide on the license term.

6.3.2.2. If the credit union meets the 95 percent criterion, but the space it occupies will exceed what is authorized by MIL HDBK 1190 and AFI 32-1024, then the 5-year extended license will be at the fair-market rental for the space that is in excess of allowable space.

6.3.3. Give a credit union, that does not meet the 95 percent criterion and uses its funds to expand, modify, or renovate Government-owned space, a lease at fair market value for a period of up to 25 years.

6.3.3.1. Consider the extent of modifications or renovations to decide on the lease term.

6.3.4. The Air Force furnishes janitorial services, utilities such as air-conditioning, heat, and light, and maintenance at no cost to a credit union that occupies free space in a Government building.

6.3.5. The credit union pays for other services, such as telephone lines, long-distance calls, and space alterations. If the credit union does not meet the 95 percent membership criterion, the credit union reimburses the Air Force for support.

6.3.6. Process all credit unions actions through comptroller channels, as well as engineering channels.

6.4. Construction of Credit Union Buildings. To support each construction proposal, get written assurance that the credit union:

- Knows it may lose the building if the installation closes or other specified conditions limit the lease term.
- Will use the building only to serve credit union needs.
- Accepts financial responsibility and will reimburse the Air Force for construction costs, maintenance, utilities, and other services furnished.

6.4.1. Set rates according to DoD Instruction 7230.7 and confirm the rates in a written agreement.

6.4.2. Credit unions that pay for construction do not have to meet the space criteria explained in MIL-HDBK-1190 and AFI 32-1024.

6.5. Lease of Air Force Land. The installation leases land needed for approved construction at credit union expense. The cost of the lease is "not less than the fair market value of the lease interest, as determined by the Secretary," for a term of up to 25 years. Leases include these provisions:

- The Government has the right to terminate the lease in a national emergency or if the installation becomes inactivates, or closes.
- The credit union must notify the installation at least 90 days before closing its office.
- When the lease expires or is terminated, it is the Government's option to take structures and improvements without reimbursing the credit union or require the credit union to remove them. If the government takes this option, the credit union must restore the land to its original condition.

6.5.1. The fair market rental charge applies for the entire lease term.

6.5.2. If a credit union takes part in constructing a building complex, such as an installation shopping mall, set a nominal rent in the lease, covering only the land under the specific space the credit union occupies. The credit union reimburses the Air Force for support.

6.5.2.1. If a credit union locates in a building complex, such as an installation shopping mall, after construction is completed, a fair market rental will be charged for the occupied space and the credit union reimburses the Air Force for support.

6.5.3. If the installation commander decides it serves the Government's best interest, extend an existing lease before it expires.

6.5.3.1. Extend leases for no more than 5 years.

6.5.4. If the terms of the lease or extension state that title to the facility passes to the Government, take title only after all extensions expire. Title to improvements will not pass to the Government while the lessee occupies the facility

6.5.4.1. In the lease require the credit union to care for the premises and pay for utilities and services according to DoD Instruction 7230.7 and AFI 32-1061.

6.5.4.2. Require a credit union that does not meet the 95 percent criterion to pay fair market rental for the land under the facility. The credit union cares for the premises and pays for utilities and services.

6.5.5. If the credit union does not meet the 95 percent criteria, determine the rent by comparing the facility to local civilian properties. Make sure that the appraisers consider that on-base land value may not always be comparable to local land value.

6.5.6. Require in all leases and licenses an Operating Agreement between the installation commander and the credit union president. See AFI 65-702 for more details.

6.6. Establishing Banking Offices. Banks may not set up offices on Air Force installations without SAF/MII and SAF/FM approval. See AFI 65-701 for more details. See AFI 65-701 for instructions on branch banks and banking facilities including Automated Teller Machines (ATM), on Air Force installations

6.7. Logistical Support for Banking Offices. For the purpose of logistical support, banking offices are self-sustaining or non self-sustaining. See AFI 65-701 for definitions and more information.

6.7.1. Domestic Non-self-sustaining Banking Offices. Support non-self-sustaining banking offices without charge. This includes office space, utilities, maintenance and repair, and custodial services.

The installation commander may give a non-self-sustaining banking office space on a DoD installation at one or more locations for up to 5 years according to DoD Directive 4165.6.

6.7.1.1. Assign building space in the operating agreement and authorized it with a free license. Do not give the bank more space than MIL-HDBK-1190 or AFI 32-1024 authorizes.

6.7.2. The Air Force reimburses the GSA for all space, whether leased or in Federal office buildings, the GSA assigns to it. The current GSA rental rate under P.L. 92-313 applies. The GSA charges the Air Force for space assigned for banking operations.

6.7.3. Give a free lease to a non-self-sustaining bank authorized to construct its own building or use its funds to expand, modify, or renovate Government-owned space.

6.7.4. Consider the extent of the improvements to decide on the lease term. Make the lease effective until the expiration date or until the banking office becomes self-sustaining.

6.7.5. Maintain, repair, rehabilitate, alter, or construct-base banking offices according to DoDI 4165.64.

6.7.6. When a banking office becomes self-sustaining, cancel its free license or lease and negotiate a lease at fair market value for a term of up to 5 years.

6.7.7. Process all actions for banks according to AFI 65-701.

6.8. Banking Office in Government-Owned Buildings. Before leasing space in Government--owned buildings, ask an appraiser to establish the fair market rent. Consider these terms and conditions:

6.8.1. The lease term is for up to 5 years and renewable by mutual agreement. The Air Force reserves the right to terminate the lease. The banking institution must reimburse the DoD for GSA-assigned space at the current GSA rental rate.

6.8.2. When the banking institution funds modification or renovation of Government buildings, the installation commander negotiates a lease for up to 25 years. The lease term must be commensurate with the extent of improvements.

6.8.3. The lessee makes needed interior alteration and does maintenance, and pays for utilities and for custodial and other services.

6.9. Banking Offices on Government-Owned Land. With a fair market value lease, the installation commander makes land available for approved building construction at bank expense. The fair market rent applies for the entire lease term of up to 25 years.

6.9.1. If a banking institution takes part in constructing a complex, such as an installation shopping mall, provide a lease covering only the land under the space the banking office occupies.

6.9.1.1. If a banking institution locates in a building complex, such as an installation shopping mall, after construction is completed, a fair market rental will be charged for the occupied space and the bank reimburses the Air Force for support. The only exception is when AAFES or Defense Commissary Agency (DCA) makes arrangements for the base bank to provide a check cashing operation within the AAFES or DCA store where there is no charge for space.

6.9.2. If the installation commander determines it best serves the Government, extend a land lease before it expires.

6.9.2.1. Make extensions for up to 5 years.

6.9.2.2. Defer passing the title to banking facilities to the government until all extensions expire. Title to improvements will not pass to the Government while the lessee occupies the facility.

6.9.2.3. The banking institution continues to care for the premises and pay for utilities and services furnished according to DoD instruction 7230.7 and AFI 32-1061.

6.10. Other Lease Conditions . Installation commanders include these conditions in all new leases and lease extensions.

6.10.1. The lease may be terminated by:

- The Secretary of the Air Force in a national emergency.
- Installation inactivation, closing, or other disposition.
- The lessee's failure to meet the lease conditions
- The interest of national defense.

6.10.2. When the leases expires or the Government terminates it, it is the Government's option to take structures and other improvements without reimbursing the bank or ask the lessee to remove them. If the Government takes this option, the bank must restore the land to its original condition.

6.10.3. The lessee must give the Air Force a 90-day written notice of intent to ends its lease.

6.10.4. The lease term may be more than 5 years only when the Secretary of the Air Force or a designee decide an extended term serves national defense or the public, under 10 U.S.C. 2667(b)(1).

6.10.5. Do not amend or alter leases signed before 26 July 1989, unless a lessee specifically asks to under DoDI 1000.12. Do not renegotiate lease contract, surrender, or waive any right without the Government's mutual consideration.

6.11. Automated Teller Machine (ATM) Service. ATMs add to services an on-base banking or credit union office provides. No lease or license is needed to place an ATM in a banking or credit union office or building.

6.11.1. With authorization, an on-base bank or credit union may place ATMs at one or more sites. See AFI 65-701 and 65-702 for details.

6.12. Credit Unions Overseas . The Air Force provides space and other support according to AFI 65-702.

6.13. Banking Establishment in Overseas Locations . Space and other support is provided according to AFI 65-701.

6.14. Banks and Credit Unions on Air National Guard Leased/Licensed Property. The Air National Guard will not allow land leases for construction of credit unions or banking facilities except where the ANG Base land ownership is in fee simple. Credit unions and banking facilities may be located in government-owned buildings where the Air Force leases property for the ANG. Any exception to this AFI will be forwarded to AFREA/DR for SAF/FM and SAF/MII approval.

JAMES E. McCARTHY, Maj General, USAF
The Civil Engineer

Attachment 1

GLOSSARY OF TERMS

Terms

Acquired Land.—Land gotten from any private or public source other than land from the public domain.

Amortize.—Gradual reduction, redemption, or liquidation (paying off) of an account according to a specific schedule of times and amounts.

Appraisal—A valuation or an estimation of property value by qualified disinterested persons. The process of determining the value of an asset or liability that involves expert opinion rather than market transactions.

Cession—A state's ceding or yielding its jurisdiction over Government-controlled real property to the Federal Government.

Comparable Housing—Housing in the private sector, equivalent in size, number of bedrooms, amenities, equipment, furniture, and services, including garage. To determine comparability, consider all distinguishing characteristics that affect relative rents, such as location and the amount and use of space.

Condemnation—A judicial proceeding the Government introduces through the Department of Justice to use its right of eminent domain. Condemnation results in passing title to land and improvements on it to the Government with or without the owner's consent, but with fair payment.

Consideration—Compensation or an equivalent (money, material, or services) given for something acquired or promised. This may be real property's appraised fair market value or protecting real property against fire, water, or other threatening elements, or any mutual arrangement not in conflict with statutory limits.

CPI—Consumer Price Index that the Bureau of Labor Statistics, Department of Labor, keeps.

Declaration of Excess (DE)—A written statement, signed by the installation commander and sent to AFREA/MI through the major command, that certain real property is excess to installation needs, was found to be excess in a periodic utilization survey, or is part of an installation whose closing has announced. See AFI 32-9004.

Easement—The right to use another's land for a specific purpose. Usually, the landowners continue to own the land and use it as long as they do not interfere with the purpose of the easement.

Fee Simple Title (Ownership)—Title to real property belonging to a person or the Government where full and unconditional ownership exists. Such ownership does not necessarily include mineral rights.

Flood Plains—The 100-year flood plain is the lowlands adjoining inland and coastal waters, including floodplain areas of offshore islands, that would be inundated by the base flood. The 500 year (or critical actions) flood plain is the area that would be inundated by a 500-year flood. (See AFI 32-7003.)

Geophysical Testing—A search for a mineral that involves physical presence on the land and some testing with minimum drilling and use of explosives. Includes seismic testing but not core drilling for geological information or mineral extraction.

Hold Harmless Agreement—A contractual arrangement in which one party assumes the situation's inherent liability, relieving the other party of responsibility.

Inadequate Quarters—Air Force-controlled substandard housing operated on an adjusted BAQ or rental basis.

Industrial Facility—Any Government owned, leased, or controlled real property which a contractor uses to fulfill Government research, development, test, evaluation, production, maintenance, or modification contracts, or to store production machinery and equipment supporting these activities.

Ingrants—Licenses, leases, permits, temporary or permanent easements, foreign base rights agreements, treaties, and so on, under which the Department of the Air Force gains an interest in, or control of, real property in less than fee ownership.

Lease—Gives exclusive possession of real property for a specified term in return for rent or other consideration paid to the owner.

Leaseables—US-owned minerals, including oil and gas, that may legally be leased.

Legislative Jurisdiction—This term, when used in connection with a land area, means the power and authority of the Federal Government to legislate and to exercise executive and judicial powers within the area.

Lessee—One who has the right to occupy real property under a lease.

Lessor—One who holds title to and grants others the right to use and occupy real property under a lease.

License—A privilege that can be withdrawn at will to use or pass over a licensor's real property for a specific purpose, for example, right-of-entry for survey and exploration, right-of-entry for construction, tree topping, and so on. Licenses merely confer a privilege to occupy real property at the owner's tolerance. Licenses granted to other Federal agencies are called "permits."

Locatables—US-owned hard-rock minerals, including gold, copper, and silver, on public domain lands subject to discovery and claim. **These are not leaseable or salable materials** (Title 30, U.S.C., chapter 22 and 43 CFR 3500.0-5 [n]).

Nonappropriated Fund—Funds generated by DoD military and civilian personnel and their dependents and added to funds Congress appropriated to finance a comprehensive, morale-building, welfare, religious, educational, and recreational program to improve the well-being of military and civilian personnel and their dependents.

Offers of Gift (Donation)—Voluntary offer to transfer or convey to the Government an interest in real property without payment or consideration of any kind by the Government. See AFI 51-601.

Outgrants—Leases, licenses, easements, permits, use agreements, joint-use agreements, and other agreements) which change the Government's interest in or control of real property, by conferring property rights to another Government agency, non-Federal entity (such as a state or local government), or a private party.

Permit—A right of exclusive or nonexclusive use of real property. When outgranted to a party other than a Federal agency, it generally covers one-time use and is called a "license." However, "permit" describes an authorization for a Government agency to use real property under another Government agency's jurisdiction for a defined period. Do not confuse these two terms.

Public Domain—Land the United States acquired through treaties with foreign governments and continues to own. The Department of the Interior administers and manages this land under public land laws.

Public Lands.—Any land and land interest the United States owns within the states. The Secretary of the Interior through the Bureau of Land Management (BLM) manages this land without regard to its acquisition.

Real Property Directive.—A request to another Federal agency to act on a real property matter on behalf of the Air Force. Agencies include the Office of the Chief of Engineers, US Army Corps of Engineers, Department of the Army; or Naval Facilities Engineering Command, Department of the Navy; or BLM, US Department of the Interior, and others.

Real Property—Lands, buildings, structures, utility systems, improvements, and appurtenances. Includes equipment attached to and part of buildings and structures, such as heating systems, but not movable equipment, such as plant equipment.

Reasonable Value—The fair market rental value determined by applying the basic rent principle or the principle modified by allowed adjustments.

REMO—Real property Management Office.

Rent, Nominal—A token rent paid in money or services of \$1.00 usually acknowledged by receipt to preclude the outlay of administrative costs related to collection.

Rental Quarters T—These include all furnished and unfurnished quarters for Government employees, contractors, contractors' employees, and all other persons who receive housing while they support Government programs. It includes, but is not limited to, Government-owned or leased single-family dwellings, apartments, bunkhouses, dormitories, trailer pads, cabins, guard stations and lookouts, mobile homes, house trailers, permanent and semipermanent tents, and housekeeping and nonhousekeeping units. It also includes housing facilities designated substandard for family housing. The term excludes:

- Public quarters assigned to members of the uniformed services instead of a BAQ or VHA, or quarters assigned to US citizen civilian employees in foreign countries occupying rent-free space instead of their LQA.
- Quarters occupied by personnel who forfeit part of their per diem travel allowance.
- Parking facilities, including utility connections that Uniformed Services members use for their own house trailers and mobile homes.
- Temporary lodging facilities (TLF) operated with nonappropriated funds for welfare or recreation.

Retrocession—The act of giving a state back all or part of its legislative jurisdiction.

Right-of-Entry—The temporary right to enter land for a specific purpose without having any real property or interest in it, for example, to start construction before receiving a lease or easement.

Right-of-Way Easement—The right to cross another's land for a specific purpose, for example, to construct a road, or install pipelines, pole lines, or telephone cables, and so on.

Safety Restrictive Easement—An estate in land giving the holder certain rights pertaining to safety in areas near explosive storage facilities, ammunition bunkers, and so on. It's designed to protect against explosion hazards or to prohibit certain surface uses, such as structures for human occupancy: dwellings commercial, office, industrial, warehouse buildings. See AFI 91-409.

Salables—US-owned natural resource materials, such as embedded gravel, sand, stone, and underground water. See Title 30, U.S.C. 601 *et seq.* and 41 CFR 101-47.302-2(a)(3).

Seismic Testing—A procedure for determining the presence of oil and gas reservoirs by charting sound waves into the earth and back to its surface.

Service Contract—A contract for nonpersonal services, authorized under the Armed Services Procurement Act of 1947, in which the contractor agrees to a service for the Air Force and the Air Force agrees to pay for the service. To perform the service, the contractor may use real property in which he or she has an interest and even let the Air Force enter the real property in a nonexclusive manner.

Shelter Rent—Shelter plus the value of all public services, except nonappropriated fund services, utilities, and related services. (paragraph A1.71), and telephone service.

Space, Special Purpose—Space in buildings the GSA control, including land under or near the building, that an agency uses for special purposes and generally not suited for other agencies' use. Examples include computer centers, hospitals, laboratories, mints, penal institutions, and Air Force Recruiting Offices (AFROs).

Subordination Agreement—An agreement in which the owner real property, including subsurface oil, gas, and mineral rights, agrees to suspend or limit all or partial ownership rights under specific terms and conditions. Usually it is used to prevent interference or incompatibility with Governmental use of the property.

Suspension Agreement—A lease that suspends an individual's grazing or mineral rights to public land or state-owned lands.

Transient Quarters—Quarters traveling personnel occupy, normally for 90 days or less. Includes are visiting officer quarters (VOQ), visiting airman quarters (VAQ), temporary lodging facilities (TLF), and aerial port facilities (APF).

Utilities and Related Services—Electric power; steam; compressed air; water, sewage and garbage disposal; trash collection; natural, manufactured, or mixed gas; ice and mechanical refrigeration furnished by the Government. *NOTE: Cable television and telephone communication services are not utility services.*

Value (Current, Fair Market, and Estimated)—As used in this instruction, these terms mean current fair market value or current fair market rental value:

- Fair market value is the cash amount or on value reasonably equivalent to cash, for which an owner would sell real property to a buyer .
- Fair market rental value of real property is the amount that a well-informed and willing lessee would pay in a competitive market and that a well-informed lessor would accept for using and occupying real property for a particular term.

Wetlands—Areas inundated by surface or ground water often enough to support and do or would support plant or aquatic life that needs saturated or seasonally saturated soil conditions for growth and reproduction. Wetlands generally include swamps, marshes, bogs, and similar areas, such as mud flats, natural ponds, potholes, river overflows, sloughs, and wet meadows. Wetlands may be located in flood plains. (See AFI 32-70.)

Withdrawn Land—Public domain land set aside by BLM for a specific public purpose, such as a national park, wildlife refuge, or national defense. Withdrawing public land generally prohibits its lease, sale, settlement, or other dispositions under the public land laws. See 43 U.S.C. 1702(j).

Attachment 2

DEPARTMENT OF THE AIR FORCE PERMIT

ATTACHMENT A

DEPARTMENT OF THE AIR FORCE PERMIT NO _____

ADDITIONAL CONDITIONS FOR USE OF REAL PROPERTY

MANAGED OR CONTROLLED BY THE AIR NATIONAL GUARD (ANG)

ON A PUBLIC AIRPORT

The permittee agrees that this permit is granted subject to the following additional conditions:

1. The _____ ANG is the host for all military activities at the _____ Airport, and the permittee and its subordinate units at the airfield are tenants. An interservice support agreement satisfying the host is executed simultaneously with the issue of this permit. It includes customary cost reimbursements for base operating support provided by the host. For this provision, all Government controlled real property or personal property associated with the ANG mission on this airfield will be called the "Air National Guard (ANG) Installation."

2. The ANG installation operates under a single manager. The installation commander, named by the Adjutant General of _____, is the single manager responsible for all installation operating support and military use of the public airfield. The permitted real property shall be under the commander's control. By statute, regulation, and service custom, the installation commander has the same authority and responsibility to manage the installation as the senior commander of an Air Force base has, including operational control of all real property and personal property on it. The installation commander issues, as needed, and the permittee observes installation rules, regulations, and directives for the installation's operation.

3. The permittees' unit commander on the installation coordinates with the installation commander to carry out all activities affecting the installation's management and operation.

Permittee: _____

By: _____

Dated: _____

Attachment 3

IC 97-1 TO AFI 32-9003, GRANTING TEMPORARY USE OF AIR FORCE REAL PROPERTY

SUMMARY OF REVISIONS

This interim change (IC) 97-1 provides guidance for MAJCOM responsibilities and revises the dollar amount for leases and licenses; adds launch services for commercial space launch activities guidance; revises the utility company contacts; revises the outgranting of non-DoD owned hazardous or toxic materials; revises the flood plains and flood hazards and wetlands instructions; revises AICUZ instructions; revises the outgrants to private organizations overseas instructions; revises the deposit of money instructions; revises the outgranting of grazing and crop land lease instructions; revises the hazardous wastes and materials instructions; adds a permit format instruction; revises cable television service instructions; adds instructions for commercial antennas; revises Chapter 6 on banks and credit unions. A (/) indicates revisions from previous edition.

1.4. MAJCOM Responsibilities. MAJCOMs decide whether Air Force real property is available for others to use temporarily. Except for leases to the Department of Education for less than 25 years, send these to the Air Force Real Estate Agency (AFREA/DR) for action:

- Lease, license, or permit to use Air Force real property for more than 5 years.
- Lease or license to use Air Force real property for any purpose, when revenues or services exceed \$200,00 per action per year.
- Waiver of the policy requiring competition. See paragraph 1.13.
- Lease or license to use Air Force real property for a religious purpose.

1.5.4.2. Get SAF/MII approval if the license or contract is over 5 years or over \$200,000.

1.6.4.1. If Air Force real property is still for lease, process the renewal request through the MAJCOM to AFREA/DR 6 months before it expires if AFREA/DR approval is required.

ADD PARAGRAPH 1.6.5.

1.6.5. Advise MAJCOMs of requests for real property actions involving launch services for commercial space launch activities in accordance with the Secretary of the Air Force approved policy dated 7 May 96.

1.11. Requests by Utility Companies. MAJCOMs tell HQ AFESC/DEMB if a utility company asks to use real property before acting on the request. An agreement might affect ongoing utility rates management.

1.20. Outgrants for Storing and Disposing of Non-DoD-Owned Hazardous or Toxic Materials. DoD policy does not permit the storage or disposal of non-DoD-owned hazardous or toxic materials on Air Force real property. See AFI 91-201, Explosives Safety Standards and AFI 32-3001, Explosives Ordinance Disposal Program” for more details. The Deputy Assistant Secretary of Defense (Environment) may grant exceptions. Send requests through MAJCOM to AFREA/DR for consideration. This instruction does not apply to:

1.21. Evaluating Flood Plains and Flood Hazards. Installation commanders consider flood plains and flood hazards when outgranting installation land and facilities. They encourage the most limited use compatible with the degree of hazard. Handle outgranted Air Force real property in flood plains according to AFI 32-7064, Integrated Natural Resources Management. See Executive Order 11988, Flood Plain Management, for more information.

1.22. Considering Wetlands. When non-Federal public or private parties want to use Government-owned wetlands, make sure the agreement includes the restrictions of Federal, state, or local wetlands regulations. Any Air Force wetlands others use must be treated according to AFI 32-7064.

1.26. Air Installation Compatibility Use Zone (AICUZ). Make sure all Air Force outgrants are compatible in terms of noise, accident potential, and height obstruction criteria according to the AICUZ Handbook DoDI 4165.57.

1.29. Outgrants to Private Organizations (PO) Overseas. Non-profit POs that meet the requirements in AFI 34-223, Private Organizations Program Management, and AFI 65-106, Appropriated Fund Support of Morale, Welfare, and Recreation and Nonappropriated Fund Instrumentatives, may set up on military installations if:

1.29.2. The military or Government does not need the space they use.

1.293. The POs do not duplicate any category IIIB activity in AFI 65-106 at the same installation.

2.4.1. Consideration can be improvement, maintenance, protection, repair, or restoration, by the lessee of the leased property. See 10 U.S.C. 2667 and Title 40, Section 303(b). Deposit proceeds generated from leases of non-excess property into Special Fund Receipt Account 975189.57.

2.6. Deposit of Money for Utilities and Other Services. AF Form 3553, Utility Sales Contract and AF Form 3555, Utilities Sales Rates Exhibit will be completed. See AFI 32-1061 for guidance on utility sales contracts and rates for non-Federal organizations.

2.7.2. Get AFREA/DR approval for selling untapped underground water. (See 41 CFR 101-47.302-2(a)(3).

2.15. Grazing and Crop Land Leases. When considering a grazing or cropland lease, follow AFI 32-7064, Natural Resource Management, and use the approved grazing and crop land management and land use plan.

3.2.1. Rents received from licenses must go to the Treasury Department Miscellaneous receipts.

3.6.5. Hazardous Wastes and Materials. The installation commander may permit the use of Air Force real property by other Federal Government agencies, DoD agencies, and other military departments for storing, or disposing of hazardous materials or waste in accordance with paragraph 1.20 of this AFI.

ADD PARAGRAPH 3.7.

3.7. Permit Format. For permits to other federal entities whether DoD or non-DoD, use the form at Attachment 3. Generally, changes should not be made to the form except to deal with local matters peculiar to the installation and not already addressed in the permit. Since the Air Force wishes to have uniform treatment of its federal entity tenants, installations should refrain from offering to change the permit form to provide a "better deal" to the tenant. Changes made locally should be clearly noted when the permit is sent to AFREA/DR for approval.

5.1.3. AFI 34-223, Private Organizations Program Management, defines and classifies types of private organizations and specifically addresses situations involving use of Air Force real property. However, outgrant temporary use of Air Force real property according to this instruction only.

5.2. Cable Television Service. The Air Force allows private cable television companies to install cable television systems on base if it does not interfere with the installation mission. A contract for cable television services to federal entities located on base such as Government offices, will be handled through a Franchise Agreement in accordance with the Federal Acquisition Regulation as a normal procurement of services. For licenses to a private entities to utilize Air Force real property for the private purpose of installing and operating a cable television system use the form at attachment 4. (see Handbook for more details).

5.2.1. DELETED

5.3. Commercial Antennas. All outgrants for exclusive use of Air Force real property for location of wireless communication antennas will be granted by lease under the provisions of 10 U.S.C. 2667 and require payment of fair market consideration rent (in cash or in kind). Any cash rents received for such leases will be deposited into Special Fund Receipt Account 975189.57.

5.3.1. All outgrants for non-exclusive use of Air Force real property for location of wireless communication antennas will be granted by license under the administrative authority of the Secretary of the Air Force. All cash fees received from such licenses will be deposited in the miscellaneous receipts account of the Treasury.

6.5.2.1. If a credit union locates in a building complex, such as an installation shopping mall, after construction is completed, a fair market rental will be charged for the occupied space and the credit union reimburses the Air Force for support.

6.5.4. If the terms of the lease or extension state that title to the facility passes to the Government, take title only after all extensions expire. Title to improvements will not pass to the Government while the lessee occupies the facility.

6.9.1.1. If a banking institution locates in a building complex, such as an installation shopping mall, after construction is completed, a fair market rental will be charged for the occupied space and the bank reimburses the Air Force for support. The only exception is when AAFES or Defense Commissary Agency (DCA) makes arrangements for the base bank to provide a check cashing operation within the AAFES or DCA store where there is no charge for space.

6.9.2.2. Defer passing title to banking facilities to the government until all extensions expire. Title to improvements will not pass to the Government while the lessee occupies the facility.

ADD PARAGRAPH 6.14.

6.14. Banks and Credit Unions on Air National Guard Leased/Licensed Property. The Air National Guard will not allow land leases for construction of credit unions or banking facilities except where the ANG Base land ownership is in fee simple. Credit unions and banking facilities may be located in government-owned buildings where the Air Force leases property for the ANG. Any exception to this AFI will be forwarded to AFREA/DR for SAF/FM and SAF/MII approval.